

INTERNAL SERVICE FUNDS

INTERNAL SERVICE FUNDS ARE ESTABLISHED TO ACCOUNT FOR SERVICES FURNISHED TO OTHER COUNTY DEPARTMENTS AND ARE FINANCED PRIMARILY BY THESE SERVICE CHARGES. BECAUSE THEY ARE EXEMPT FROM BUDGETARY CONTROL, THEY ARE FREE TO EMPLOY COMMERCIAL ACCOUNTING TECHNIQUES, AND ARE OFTEN USED IN SITUATIONS WHERE A MORE ACCURATE DETERMINATION OF OPERATING RESULTS IS DESIRED.

ROAD AND COMMUNICATION EQUIPMENT FUND

THIS FUND WAS ESTABLISHED TO ACCOUNT FOR THE FINANCING OF PUBLIC WORKS AND COMMUNICATIONS EQUIPMENT PROVIDED TO OTHER COUNTY DEPARTMENTS ON A COST REIMBURSEMENT BASIS.

PURCHASING FUND

THIS FUND ACCOUNTS FOR THE FINANCING OF MATERIALS AND SUPPLIES PROVIDED TO COUNTY DEPARTMENTS ON A COST REIMBURSEMENT BASIS.

SPECIAL DISTRICT LOANS FUND

THIS FUND WAS ESTABLISHED TO PROVIDE FINANCING FOR START UP SERVICES FOR NEW AND EXISTING COUNTY SERVICE DISTRICTS ON A COST REIMBURSEMENT BASIS.

RISK FINANCING FUND

THIS FUND WAS ESTABLISHED TO ACCOUNT FOR ALL OF THE COUNTY'S UNINSURED RISK MANAGEMENT ACTIVITIES.

FLEET SERVICES FUND

THIS FUND WAS ESTABLISHED TO ACCOUNT FOR THE FINANCING OF GENERAL SERVICES' FLEET VEHICLES PROVIDED TO OTHER COUNTY DEPARTMENTS ON A COST REIMBURSEMENT BASIS.

MAIL, PRINT & RECORDS FUND

THIS FUND WAS ESTABLISHED TO ACCOUNT FOR THE FINANCING OF GENERAL SERVICES' MAIL, PRINTING AND RECORD STORAGE SERVICES PROVIDED TO OTHER COUNTY DEPARTMENTS ON A COST REIMBURSEMENT BASIS.

FACILITIES MANAGEMENT FUND

THIS FUND WAS ESTABLISHED TO ACCOUNT FOR THE FINANCING OF PUBLIC SERVICE UTILITIES, PROPERTY MANAGEMENT, AND ARCHITECTURAL AND ENGINEERING SERVICES PROVIDED TO OTHER COUNTY DEPARTMENTS ON A COST REIMBURSEMENT BASIS.

INFORMATION TECHNOLOGY FUND

THIS FUND WAS ESTABLISHED TO ACCOUNT FOR THE FINANCING OF SOFTWARE APPLICATIONS FOR HUMAN RESOURCES, PAYROLL, AND FINANCIAL SYSTEMS AS WELL AS TELECOMMUNICATION SERVICES PROVIDED TO OTHER COUNTY DEPARTMENTS ON A COST REIMBURSEMENT BASIS.

OTHER MISCELLANEOUS FUND

THIS FUND WAS ESTABLISHED TO PROVIDE FOR THE FINANCING OF CLOTHING AND PERSONAL SUNDRY ITEMS FOR PERSONS INSTITUTIONALIZED AT VARIOUS COUNTY FACILITIES.

**INTERNAL SERVICE FUNDS
COMBINING BALANCE SHEET**

June 30, 2001

With Comparative Figures for June 30, 2000

(In Thousands)

			STATEMENT 7
	ROAD AND COMMUNICATION EQUIPMENT	PURCHASING	SPECIAL DISTRICT LOANS
ASSETS			
Equity in Pooled Cash and Investments	\$ 14,181	2,763	700
Collections in Transit			
Imprest Cash		200	
Accounts Receivable		3	
Due from Other Funds	650	2,436	
Advances to Other Funds			207
Inventory of Equipment, Materials and Supplies, at cost	502	698	
Work In Process			
Equipment, Net of Allowance for Depreciation of \$40,222 in 2001 (\$37,990 in 2000)	13,465	13	
Total Assets	\$ 28,798	6,113	907
LIABILITIES AND FUND EQUITY			
Liabilities:			
Accounts Payable	\$ 67	2,527	
Accrued Payroll		113	
Due to Other Funds	262	749	
Long-Term Debt Payable		268	
Deferred Revenue			
Total Liabilities	329	3,657	
Fund Equity:			
Contributed Capital	9,541	1,189	907
Retained Earnings:			
Unreserved	18,928	1,267	
Total Fund Equity	28,469	2,456	907
Total Liabilities and Fund Equity	\$ 28,798	6,113	907

(Cont)

**INTERNAL SERVICE FUNDS
COMBINING BALANCE SHEET**

June 30, 2001

With Comparative Figures for June 30, 2000

(In Thousands)

STATEMENT 7 (Cont)

		RISK FINANCING	FLEET SERVICES	MAIL, PRINT & RECORDS
ASSETS				
Equity in Pooled Cash and Investments	\$	59,518	19,874	1,733
Collections in Transit			6	
Imprest Cash				1
Accounts Receivable			11	341
Due from Other Funds		382	1,695	339
Advances to Other Funds				
Inventory of Equipment, Materials and Supplies, at cost			694	150
Work In Process				
Equipment, Net of Allowance for Depreciation of \$40,222 in 2001 (\$37,990 in 2000)			31,962	615
Total Assets	\$	59,900	54,242	3,179
LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts Payable	\$	25	1,120	76
Accrued Payroll			120	73
Due to Other Funds		1,283	1,039	708
Long-Term Debt Payable		84,210	6,639	311
Deferred Revenue				2
Total Liabilities		85,518	8,918	1,170
Fund Equity:				
Contributed Capital			34,599	583
Retained Earnings:				
Unreserved		(25,618)	10,725	1,426
Total Fund Equity		(25,618)	45,324	2,009
Total Liabilities and Fund Equity	\$	59,900	54,242	3,179

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INTERNAL SERVICE FUNDS
COMBINING BALANCE SHEET
June 30, 2001
With Comparative Figures for June 30, 2000
(In Thousands)

STATEMENT 7 (Cont)

	FACILITIES MANAGEMENT	INFORMATION TECHNOLOGY	OTHER MISCELLANEOUS
ASSETS			
Equity in Pooled Cash and Investments	\$ 3,446	41,457	1,517
Collections in Transit	9	2,821	86
Imprest Cash			
Accounts Receivable	2	1,664	
Due from Other Funds	7,783	10,436	51
Advances to Other Funds			
Inventory of Equipment, Materials and Supplies, at cost	35		87
Work In Process		29,320	
Equipment, Net of Allowance for Depreciation of \$40,222 in 2001 (\$37,990 in 2000)	190		85
Total Assets	\$ 11,465	85,698	1,826
LIABILITIES AND FUND EQUITY			
Liabilities:			
Accounts Payable	\$ 2,686	6,530	65
Accrued Payroll	523		
Due to Other Funds	6,268	48,990	375
Long-Term Debt Payable	1,221		
Deferred Revenue			
Total Liabilities	10,698	55,520	440
Fund Equity:			
Contributed Capital	186	10,453	
Retained Earnings:			
Unreserved	581	19,725	1,386
Total Fund Equity	767	30,178	1,386
Total Liabilities and Fund Equity	\$ 11,465	85,698	1,826

(Cont)

**INTERNAL SERVICE FUNDS
COMBINING BALANCE SHEET**

June 30, 2001

With Comparative Figures for June 30, 2000

(In Thousands)

STATEMENT 7 (Cont)

TOTALS

	2001	2000
ASSETS		
Equity in Pooled Cash and Investments	\$ 145,189	106,391
Collections in Transit	2,922	52
Imprest Cash	201	201
Accounts Receivable	2,021	640
Due from Other Funds	23,772	13,759
Advances to Other Funds	207	134
Inventory of Equipment, Materials and Supplies, at cost	2,166	2,522
Work In Process	29,320	10,453
Equipment, Net of Allowance for Depreciation of \$40,222 in 2001 (\$37,990 in 2000)	46,330	46,911
Total Assets	\$ 252,128	181,063
LIABILITIES AND FUND EQUITY		
Liabilities:		
Accounts Payable	\$ 13,096	13,594
Accrued Payroll	829	
Due to Other Funds	59,674	19,563
Long-Term Debt Payable	92,649	71,568
Deferred Revenue	2	1,503
Total Liabilities	\$ 166,250	106,228
Fund Equity:		
Contributed Capital	57,458	57,459
Retained Earnings:		
Unreserved	28,420	17,376
Total Fund Equity	85,878	74,835
Total Liabilities and Fund Equity	\$ 252,128	181,063

(Statement 1A)

INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS
Year Ended June 30, 2001
With Comparative Figures for June 30, 2000
(In Thousands)

STATEMENT 7A

	ROAD AND COMMUNICATION EQUIPMENT	PURCHASING	RISK FINANCING	FLEET SERVICES
Operating Revenues:				
Charges for Services	\$ 6,553	38,255	35,384	19,478
Operating Expenses:				
Salaries		2,509		3,332
Cost of materials	552	32,651		2,336
Claims and Judgments			51,593	
Repairs and maintenance	2,203	86		1,333
Fuel	559	12		4,051
Equipment Rental		246		67
Contracted Services		1,657		1,655
Depreciation	1,511	2		5,841
Utilities		207		186
Other	1,594	178		494
Total Operating Expenses	6,419	37,548	51,593	19,295
Operating Income (Loss)	134	707	(16,209)	183
Nonoperating Revenues:				
Interest	333	145	1,910	1,263
Gain on Disposal of Equipment	97			
Other				
Total Nonoperating Revenues	430	145	1,910	1,263
Nonoperating Expenses:				
Loss on Disposal of Equipment				36
Interest on Long Term Debt				365
Other				
Total Nonoperating Expenses				401
Nonoperating Income (Loss)	430	145	1,910	862
Income (Loss) Before Contributions and Operating Transfers	564	852	(14,299)	1,045
Capital Contributions	2			7,269
Operating Transfers In		63		
Operating Transfers (Out)	(3,596)	(132)		(188)
Net Income (Loss)	(3,030)	783	(14,299)	8,126
Retained Earnings:				
Beginning Balance	21,958	484	(11,319)	2,599
Ending Balance (Statement 7)	\$ 18,928	1,267	(25,618)	10,725

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INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS
Year Ended June 30, 2001
With Comparative Figures for June 30, 2000
(In Thousands)

STATEMENT 7A (Cont)

	MAIL, PRINT & RECORDS	FACILITIES MANAGEMENT	INFORMATION TECHNOLOGY	OTHER MISCELLANEOUS
Operating Revenues:				
Charges for Services	\$ 10,028	70,085	81,703	2,786
Operating Expenses:				
Salaries	1,884	13,571		
Cost of materials	6,353			1,331
Claims and Judgments				
Repairs and maintenance	450	14,405		
Fuel	36	134		9
Equipment Rental	20	62		
Contracted Services	542	4,289	86,971	
Depreciation	110	28		14
Utilities	158	28,789		
Other	182	8,021		159
Total Operating Expenses	9,735	69,299	86,971	1,513
Operating Income (Loss)	293	786	(5,268)	1,273
Nonoperating Revenues:				
Interest	97	179	197	8
Gain on Disposal of Equipment				
Other				18
Total Nonoperating Revenues	97	179	197	26
Nonoperating Expenses:				
Loss on Disposal of Equipment				9
Interest on Long Term Debt	9			
Other				14
Total Nonoperating Expenses	9			23
Nonoperating Income (Loss)	88	179	197	3
Income (Loss) Before Operating Transfers	381	965	(5,071)	1,276
Capital Contributions	10	59	18,867	
Operating Transfers In	2	282	4,630	
Operating Transfers (Out)	(95)	(747)		(1,095)
Net Income (Loss)	298	559	18,426	181
Retained Earnings:				
Beginning Balance	1,128	22	1,299	1,205
Ending Balance (Statement 7)	\$ 1,426	581	19,725	1,386

(Cont)

See Accompanying Independent Auditors' Report

INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS
Year Ended June 30, 2001
With Comparative Figures for June 30, 2000
(In Thousands)

STATEMENT 7A (Cont)**TOTALS**

	2001	2000
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Operating Revenues:

Charges for Services	\$ 264,272	202,167
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Operating Expenses:

Salaries	21,296	21,773
Cost of materials	43,223	45,119
Claims and Judgments	51,593	22,398
Repairs and maintenance	18,477	13,574
Fuel	4,801	4,062
Equipment Rental	395	989
Contracted Services	95,114	52,501
Depreciation	7,506	7,117
Utilities	29,340	14,951
Other	10,628	11,646

Total Operating Expenses	282,373	194,130
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Operating Income (Loss)	(18,101)	8,037
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Nonoperating Revenues:

Interest	4,132	2,554
Gain on Disposal of Equipment	97	58
Other	18	

Total Nonoperating Revenues	4,247	2,612
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Nonoperating Expenses:

Loss on Disposal of Equipment	45	411
Interest on Long Term Debt	374	561
Other	14	

Total Nonoperating Expenses	433	972
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Nonoperating Income (Loss)	3,814	1,640
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Income (Loss) Before Operating Transfers	(14,287)	9,677
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Capital Contributions	26,207	
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Operating Transfers In	4,977	10,527
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Operating Transfers (Out)	(5,853)	(2,369)
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Net Income (Loss)	11,044	17,835
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Retained Earnings:

Beginning Balance	17,376	(459)
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Ending Balance (Statement 7)	\$ 28,420	17,376
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INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
Year Ended June 30, 2001
With Comparative Figures for June 30, 2000
(In Thousands)

STATEMENT 7B

	ROAD AND COMMUNICATION EQUIPMENT	PURCHASING	SPECIAL DISTRICT LOANS
Cash Flows from Operating Activities:			
Operating Income (Loss)	\$ 134	707	
Adjustments to Reconcile Operating Income (Loss)			
To Net Cash Provided by Operating Activities:			
Depreciation	1,511	2	
Decrease (Increase) in Accounts Receivable		(2)	
Decrease (Increase) in Due from Other Funds	(146)	(1,261)	
Decrease (Increase) in Inventory	4	291	
Increase (Decrease) in Accounts Payable	5	1,087	
Increase (Decrease) in Accrued Payroll		27	
Increase (Decrease) in Due to Other Funds	(579)	202	
Increase (Decrease) in Long-Term Debt Payable		24	
Increase (Decrease) in Deferred Revenue			
Net Cash Provided (Used) by Operating Activities	929	1,077	
Cash Flows from Non-Capital Financing Activities:			
Residual Equity Conveyed to Other Entities			
Loans from (to) Other Funds			
Transfers from (to) Other Funds	(3,596)	(69)	
Advances Made on Long-Term Loans			(74)
Net Cash Provided (Used) by Non-Capital Financing Activities	(3,596)	(69)	(74)
Cash Flows from Capital and Related Financing Activities:			
Acquisition of Fixed Assets	(724)		
Capital Contributions			
Proceeds from Sales of Equipment	136		
Principal paid on Long-Term Debt			
Interest Paid on Long Term Debt			
Residual Equity Transfers In			
Net Cash Provided (Used) by Capital and Related Financing Activities	(588)		
Cash Flows from Investing Activities:			
Interest	344	134	4
Net Increase (Decrease) in Cash and Cash Equivalents	(2,911)	1,142	(70)
Cash and Cash Equivalents-Beginning of Year	17,092	1,821	770
Cash and Cash Equivalents-End of Year	\$ 14,181	2,963	700
Noncash Investing, Capital Financing Activities			
Transfer Fixed Assets from(to) Gen Fixed Assets/Other Funds	\$ 1		
Acquisition of Fixed Assets through Capital Lease			
Assumption of Capital Lease from Gen Long-Term Debt			
Accrued Interest	51		
Residual Equity Transfer from General Fund			
Total Noncash Investing, Capital Financing Activities	\$ 52		

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See Accompanying Independent Auditors' Report

INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
Year Ended June 30, 2001
With Comparative Figures for June 30, 2000
(In Thousands)

STATEMENT 7B (Cont)

	RISK FINANCING	FLEET SERVICES	MAIL, PRINT & RECORDS
Cash Flows from Operating Activities:			
Operating Income (Loss)	\$ (16,209)	183	293
Adjustments to Reconcile Operating Income (Loss)			
To Net Cash Provided by Operating Activities:			
Depreciation		5,841	110
Decrease (Increase) in Accounts Receivable	22	(1)	(315)
Decrease (Increase) in Due from Other Funds	1,038	(866)	(77)
Decrease (Increase) in Inventory		(103)	(30)
Increase (Decrease) in Accounts Payable	(184)	(86)	(90)
Increase (Decrease) in Accrued Payroll		(34)	(5)
Increase (Decrease) in Due to Other Funds	(937)	12	353
Increase (Decrease) in Long-Term Debt Payable	24,687	(1)	22
Increase (Decrease) in Deferred Revenue			
Net Cash Provided (Used) by Operating Activities	8,417	4,945	261
Cash Flows from Non-Capital Financing Activities:			
Residual Equity Conveyed to Other Entities			
Loans from (to) Other Funds			
Transfers from (to) Other Funds		(188)	(93)
Advances Made on Long-Term Loans			
Net Cash Provided (Used) by Non-Capital Financing Activities		(188)	(93)
Cash Flows from Capital and Related Financing Activities:			
Acquisition of Fixed Assets		(5,922)	(45)
Capital Contributions		7,140	
Proceeds from Sales of Equipment		547	
Principal paid on Long-Term Debt		(3,690)	(111)
Interest Paid on Long Term Debt		(416)	(11)
Residual Equity Transfers In			
Net Cash Provided (Used) by Capital and Related Financing Activities		(2,341)	(167)
Cash Flows from Investing Activities:			
Interest	1,910	1,269	100
Net Increase (Decrease) in Cash and Cash Equivalents	10,327	3,685	101
Cash and Cash Equivalents-Beginning of Year	49,191	16,195	1,633
Cash and Cash Equivalents-End of Year	\$ 59,518	19,880	1,734
Noncash Investing, Capital Financing Activities			
Transfer Fixed Assets from(to) Gen Fixed Assets/Other Funds	\$	128	16
Acquisition of Fixed Assets through Capital Lease			
Assumption of Capital Lease from Gen Long-Term Debt			
Accrued Interest		1,067	26
Residual Equity Transfer from General Fund			
Total Noncash Investing, Capital Financing Activities	\$	1195	42

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INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
Year Ended June 30, 2001
With Comparative Figures for June 30, 2000
(In Thousands)

STATEMENT 7B (Cont)

	FACILITIES MANAGEMENT	INFORMATION TECHNOLOGY	OTHER MISCELLANEOUS
Cash Flows from Operating Activities:			
Operating Income (Loss)	\$ 786	(5,268)	1,273
Adjustments to Reconcile Operating Income (Loss)			
To Net Cash Provided by Operating Activities:			
Depreciation	28		14
Decrease (Increase) in Accounts Receivable	548	(1,633)	
Decrease (Increase) in Due from Other Funds	(5,064)	(3,712)	(32)
Decrease (Increase) in Inventory	153		37
Increase (Decrease) in Accounts Payable	1,350	(2,382)	(6)
Increase (Decrease) in Accrued Payroll	47		
Increase (Decrease) in Due to Other Funds	5,893	36,380	276
Increase (Decrease) in Long-Term Debt Payable	147		
Increase (Decrease) in Deferred Revenue		(1,500)	
Net Cash Provided (Used) by Operating Activities	3,888	21,885	1,562
Cash Flows from Non-Capital Financing Activities:			
Residual Equity Conveyed to Other Entities			(3)
Loans from (to) Other Funds			
Transfers from (to) Other Funds	(465)	4,630	(1,095)
Advances Made on Long-Term Loans			
Net Cash Provided (Used) by Non-Capital Financing Activities	(465)	4,630	(1,098)
Cash Flows from Capital and Related Financing Activities:			
Acquisition of Fixed Assets		(18,867)	(7)
Capital Contributions		18,867	
Proceeds from Sales of Equipment			
Principal paid on Long-Term Debt	(1,410)		
Interest Paid on Long Term Debt			
Residual Equity Transfers In			
Net Cash Provided (Used) by Capital and Related Financing Activities	(1,410)		(7)
Cash Flows from Investing Activities:			
Interest	204	197	8
Net Increase (Decrease) in Cash and Cash Equivalents	2,217	26,712	465
Cash and Cash Equivalents-Beginning of Year	1,238	17,566	1,138
Cash and Cash Equivalents-End of Year	\$ 3,455	44,278	1,603
Noncash Investing, Capital Financing Activities			
Transfer Fixed Assets from(to) Gen Fixed Assets/Other Funds	\$ 59		
Acquisition of Fixed Assets through Capital Lease			
Assumption of Capital Lease from Gen Long-Term Debt			
Accrued Interest			
Residual Equity Transfer from General Fund			
Total Noncash Investing, Capital Financing Activities	\$ 59		

(Cont)

INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
Year Ended June 30, 2001
With Comparative Figures for June 30, 2000
(In Thousands)

		STATEMENT 7B (Cont)	
		TOTALS	
		2001	2000
Cash Flows from Operating Activities:			
Operating Income (Loss)	\$	(18,101)	8,037
Adjustments to Reconcile Operating Income (Loss)			
To Net Cash Provided by Operating Activities:			
Depreciation		7,506	7,117
Decrease (Increase) in Accounts Receivable		(1,381)	(485)
Decrease (Increase) in Due from Other Funds		(10,120)	(5,830)
Decrease (Increase) in Inventory		352	(126)
Increase (Decrease) in Accounts Payable		(306)	7,381
Increase (Decrease) in Accrued Payroll		35	
Increase (Decrease) in Due to Other Funds		41,600	6,281
Increase (Decrease) in Long-Term Debt Payable		24,879	(4,044)
Increase (Decrease) in Deferred Revenue		(1,500)	1,503
Net Cash Provided (Used) by Operating Activities		42,964	19,834
Cash Flows from Non-Capital Financing Activities:			
Residual Equity Conveyed to Other Entities		(3)	
Loans from (to) Other Funds			12,000
Transfers from (to) Other Funds		(876)	8,158
Advances Made on Long-Term Loans		(74)	183
Net Cash Provided (Used) by Non-Capital Financing Activities		(953)	20,341
Cash Flows from Capital and Related Financing Activities:			
Acquisition of Fixed Assets		(25,565)	(17,548)
Capital Contributions		26,007	
Proceeds from Sales of Equipment		683	678
Principal paid on Long-Term Debt		(5,211)	(3,776)
Interest Paid on Long Term Debt		(427)	(528)
Residual Equity Transfers In			17,590
Net Cash Provided (Used) by Capital and Related Financing Activities		(4,513)	(3,584)
Cash Flows from Investing Activities:			
Interest		4,170	2,305
Net Increase (Decrease) in Cash and Cash Equivalents		41,668	38,896
Cash and Cash Equivalents-Beginning of Year		106,644	67,748
Cash and Cash Equivalents-End of Year	\$	148,312	106,644
Noncash Investing, Capital Financing Activities			
Transfer Fixed Assets from(to) Gen Fixed Assets/Other Funds	\$	204	5,573
Acquisition of Fixed Assets through Capital Lease			2,418
Assumption of Capital Lease from Gen Long-Term Debt			365
Accrued Interest		1,144	396
Residual Equity Transfer from General Fund			
Total Noncash Investing, Capital Financing Activities	\$	1,348	8,752

See Accompanying Independent Auditors' Report